

SETTLEMENT AGREEMENT

This Settlement Agreement ("**Agreement**") is entered into as of this **5th day of August, 2010**, by and between **THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**, a California corporation, ("**University**") and **BRENNAN MULLIGAN and YEUNG TSUI** ("**Landlord**").

RECITALS

- A. University and Landlord entered into that certain Residential Lease dated May 15, 2008, amended by the Amendment to Lease dated January 12, 2009, and amended by that certain letter dated October 4, 2009 (the "**Lease**") for the rental of 16 Woodmont Way, Oakland, CA.
- B. Landlord is holding a security deposit ("**Security Deposit**") in the amount of \$32,100.
- C. Landlord has asserted certain claims against the University arising from the Lease, including, without limitation, claims associated with repairs as further described in Exhibit A attached hereto and by this reference incorporated herein (collectively, the "**Landlord Claims**") and University has asserted claims against Landlord for **\$19,423.82** expended by the University to repair the elevator located at 16 Woodmont Way (the "**Elevator Repairs**"). **University agrees to release its claims with respect to the Elevator Repairs.**
- D. The parties desire to compromise and adjust all of their outstanding differences concerning the Landlord Claims on the terms and conditions stated in this Agreement.

AGREEMENT

1. **OBLIGATIONS OF UNIVERSITY.** University agrees Landlord may retain the Security Deposit and agrees to pay Landlord the sum of Nineteen Thousand Seven Hundred and Fifty Nine Dollars 05/100 Dollars (\$19,759.05) in discharge and full satisfaction of each and every Landlord Claim. The payment shall be made within ten (10) days of mutual execution of this Agreement.

2. **RELEASE OF CLAIMS.** Upon such performance and satisfaction of the University's obligations under paragraph 1 of this Agreement, (a) Landlord, and each of their respective officers, directors, shareholders, members, employees, agents, representatives, heirs, successors and assigns (the "**Landlord Parties**"), hereby release and discharge University, and each of their respective officers, directors, shareholders, members, employees, agents, representatives, heirs, successors and assigns (the "**University Parties**"), , and (b) the University Parties hereby release and discharge the Landlord Parties from and against any liabilities, losses, costs, damages, or expenses (including attorneys' fees and costs, rent, operating expenses, property taxes, and any maintenance or repair expenses due under the Lease, **including the Elevator Repairs**) arising from or connected with the Lease or the Landlord Claims.

Both Landlord and University agree that all rights under Civil Code Section 1542 and under any other applicable, similar law are expressly waived. Civil Code Section 1542 provides as follows:

A GENERAL RELEASE AGREEMENT DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AGREEMENT, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

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UNIVERSITY'S INITIALS

3. **REPRESENTATIONS OF PARTIES.** Each party represents and warrants to the other party that it has read and understands this Agreement, that such party has had ample opportunity to consult with legal counsel and that each party is executing this Agreement of that party's own free will. Landlord further warrants to University that it is the legal and equitable owner of the Landlord's interest in the Lease, the undersigned has authority to act on behalf of the Landlord, and the Lease and the Landlord Claims have not been assigned or transferred to any third-party except that the Lease has been assigned as security to Landlord's mortgagee. Landlord and University both agree to defend, indemnify and save the other party harmless from and against all loss or damage sustained by either Landlord or University, as the case maybe, (and all expenses, costs and attorneys' fees of such party in any action or defense undertaken by such party to protect itself from such loss or damage) resulting from any breach by a party of its representations and warranties made herein.

4. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

5. **ATTORNEYS' FEES.** Should either party commence any legal action or proceeding to enforce or interpret any term or provision of this Agreement, the prevailing party shall be entitled to have and recover from the losing party its' reasonable attorneys fees and costs incurred in connection therewith, in addition to any other recovery or remedy which may be awarded.

6. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective officers, directors, shareholders, members, employees, agents, representatives, heirs, successors and assigns.


7. **ENTIRE AGREEMENT.** This Agreement expresses and contains the entire agreement between the parties with respect to the parties compromise and settlement and there are no other agreements, understandings, arrangements or inducements between the parties with respect to the subject matter hereof which are not expressed herein. This Agreement may not be modified, altered or amended except by a written amendment signed by both parties. This Agreement has been reached by negotiation and shall, therefore, not be construed against any party based on such party or its counsel having drafted any provision. This Agreement may be executed in multiple counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

8. **REGENTAL APPROVAL.** This Agreement shall not be binding on the University unless and until approved pursuant to The Regents' Policy on Settlement of Litigation, Claims, and Separation Agreement.


IN WITNESS WHEREOF, the parties have placed their signatures effective as of the date stated above.

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA,
a California corporation

By: _____
Name: _____
Its: _____



Brennan Mulligan



Yeung Tsui